

CN2111-031

# East Ridge FSED Parkridge East Hospital

HSDA Presentation

February 23, 2022



# Summary

- ✓ **Parkridge East FSED:**  
Project Overview
- ✓ **Criteria:** Parkridge East Meets All State Requirements
  - Need
  - Quality
  - Consumer Advantage
- ✓ **Support:** Parkridge East FSED Attracts Support from
  - Emergency Medical Services
  - Physicians
  - Community Leaders
  - Churches
  - Local/State Legislators



# Project Overview & Speakers

## East Ridge FSED

- CON for 12-bed Free Standing Emergency Department
- State of the art Emergency Department for City of East Ridge and surrounding community

*Rendering based on existing FSED (Antioch, TN)*



## Speakers:

- Clark Spoden, Attorney, Gullett Sanford Robinson & Martin
- Will Windham, CEO, Parkridge East Hospital
- John Marshall, M.D., Regional Medical Director, Emergency Services
- Tom Ozburn, President, Parkridge Health System

# East Ridge FSED Meets all Statutory Requirements:



## 1. The project is needed:

- Meets all applicable FSED criteria
- Existing facilities are highly utilized
- ED has exceeded ACEP 1,500 visits/bed standard for the past 3 years



## 2. The project will be high quality:

- Parkridge East ED quality in top 25% of TN Emergency Departments
- Joint Commission, Chest Pain, Stroke Accreditations
- HCA (Parkridge Health System Parent Company) expertise from operating most FSEDs in U.S. & most in state of TN



## 3. The project is advantageous for consumers:

- Provides access to patients: new site service in growing area of region
- Significant support for project by EMS, Community Groups, Leaders



# HSDA Staff Report: East Ridge FSED Meets Criteria

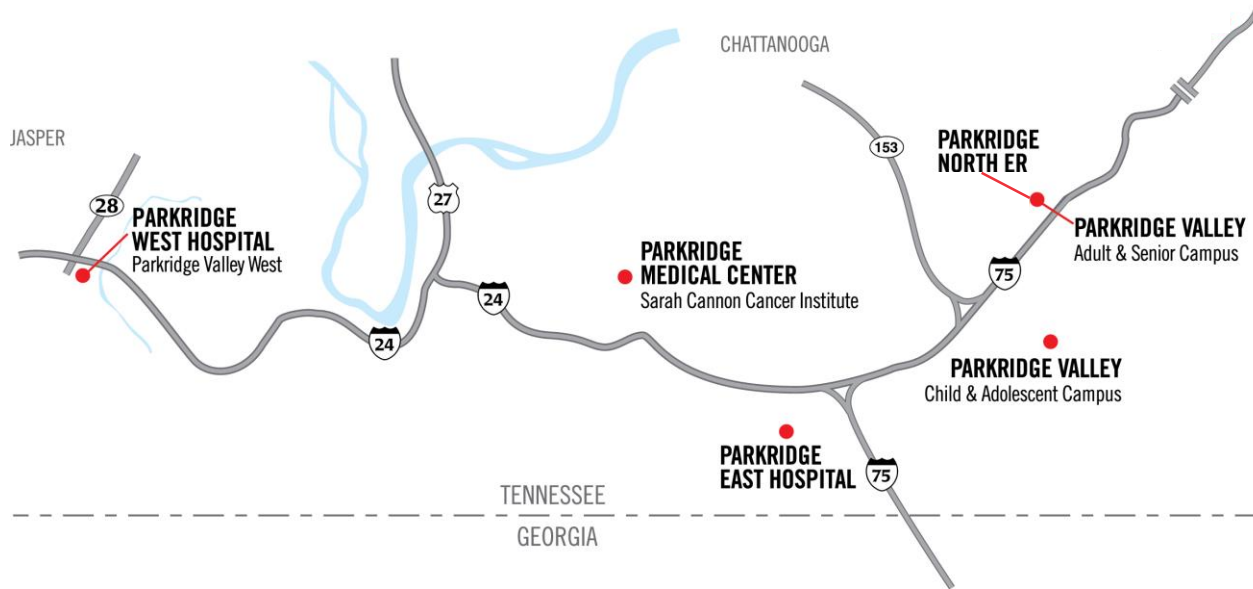
*“Note to Agency members: The applicant appears to satisfy all criteria for Freestanding Emergency Departments.”*

**From 1/11/22 HSDA Staff Report Page 3**

## *Highlights from Staff Report:*

- Parkridge East ED demonstrated capacity challenges including current utilization (visits/bed) above the ACEP (American College of Emergency Physicians) threshold
- Parkridge East ED can not expand current operations (landlocked)
- Parkridge East ED currently is within the top quartile of ED quality in the state
- FSED will improve accessibility and is within 35 miles of hospital ED
- Parkridge provides 14% charity care, far more than other FSED applicants in 2021.

# Parkridge Health System: Serving TN Valley for over 50 Years



“Above all else,  
we are committed to the care  
and improvement of human life.”

- ✓ Parkridge Medical Center:  
opened in **1971**
- ✓ **5** campuses across Chattanooga
  - **621** Licensed Beds
  - Caring for **177,000** patients per year
  - Employing **2,000+** people
- ✓ **\$140M** of Charity Care  
provided in 2020
- ✓ **Top 100** Community Hospital  
in US (*Fortune-IBM Watson Rankings*)

# Parkridge East Hospital: Serving TN Valley since 1974

- **128** bed hospital in East Ridge suburb of Chattanooga
- **59,200** patients treated in 2021
- **292** physicians on medical staff;  
**251** nurses
- **Top Quartile** for Quality (TN)
- Advanced Services:
  - ✓ Maternity
  - ✓ NICU
  - ✓ Robotic Surgery
  - ✓ Ortho/Spine





# Parkridge East Hospital: Busiest ER in Chattanooga Region



- **65%** Busier than Chattanooga Average per Bed
- **40k Visits** Per Year (2019-2021)
- Treated **>3k COVID Patients** During Pandemic thus far
- **19 Treatment Rooms**
- Operational Excellence: **8 Minute Avg ER Wait Time**
- Joint Commission Accredited
- Emergency Services:
  - ✓ Chest Pain
  - ✓ Primary Stroke



# Project Overview: East Ridge FSED

- **12** ED Treatment Rooms
- Capabilities for:
  - ✓ Isolation (COVID)
  - ✓ Trauma
  - ✓ Secure Holding (Behavioral Health)
  - ✓ Full diagnostics (lab, imaging)
- **24/7/365** ED Physician Coverage
- Will meet all ED licensure requirements



*Nurse's Station*



*Imaging*



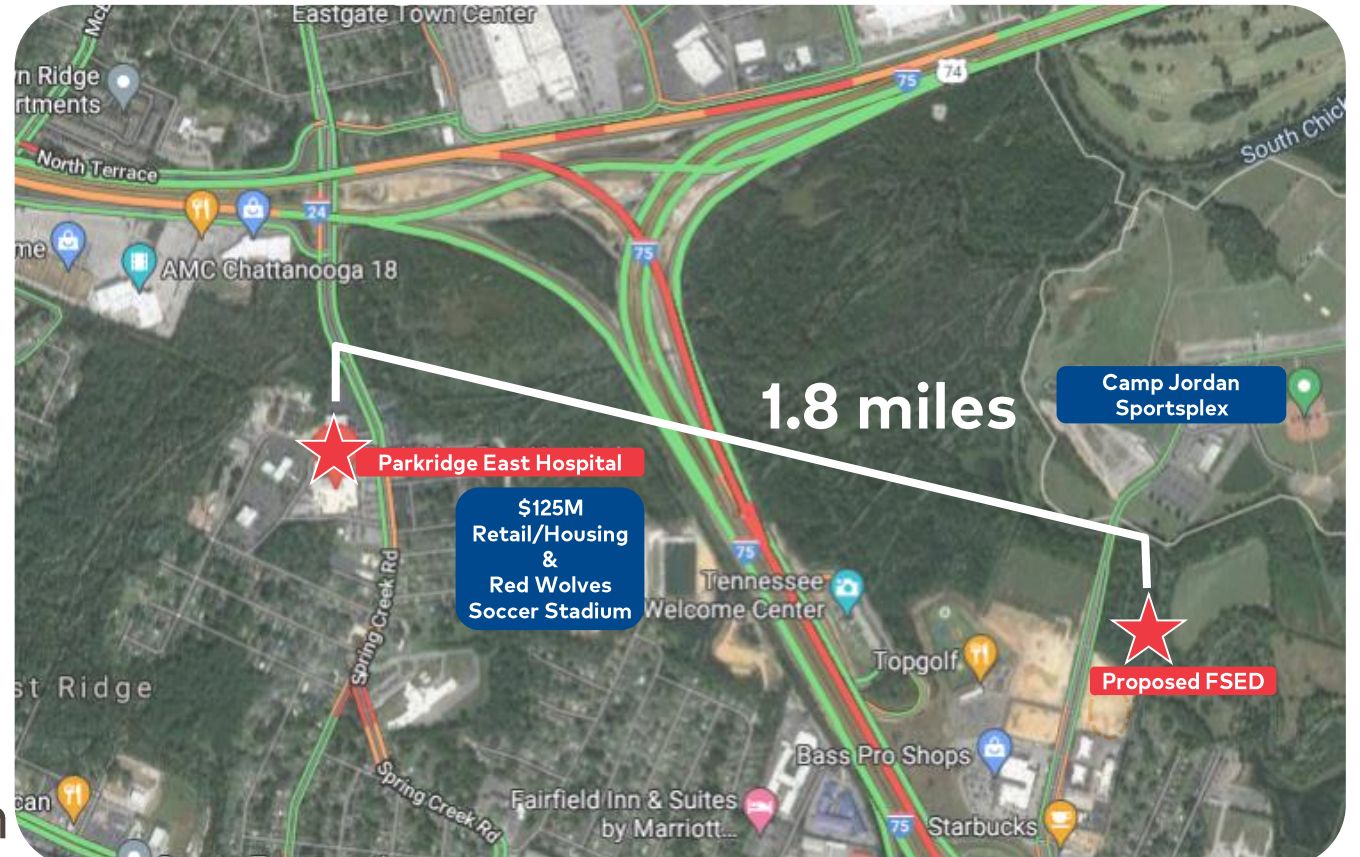
*Trauma Room*

*Images based on  
existing FSEDs*



# Project Location: ED Would Serve the Growing, Underserved East Ridge Community

- Rapid access to major interstates
- Near some of Chattanooga's largest developments
  - \$125M Retail/Housing Project
  - Red Wolves Soccer Stadium
  - Camp Jordan Sports Complex
- Parkridge East is only hospital within 5 mile radius
- Service Area: 113,258 Population





# Need: East Ridge/Hamilton County among Highest for Population Density and Growth

## Population Density by TN City:

TN Rank	Population Density	City
1	3,087.4/sq mi	Ridgeside, TN
<b>2</b>	<b>2,563.0/sq mi</b>	<b>East Ridge, TN</b>
3	2,278.3/sq mi	Lakewood, TN
4	2,167.5/sq mi	Bartlett, TN
5	2,153.7/sq mi	Tiptonville, TN
<b>6</b>	<b>2,066.4/sq mi</b>	<b>Murfreesboro, TN</b>
7	2,026.9/sq mi	Memphis, TN
8	1,960.1/sq mi	Germantown, TN
9	1,804.9/sq mi	Red Bank, TN
10	1,744.8/sq mi	Knoxville, TN

## By Comparison:

Population Density	City	Population
<b>2,563.0/sq mi</b>	<b>East Ridge, TN</b>	<b>21,220</b>
680.5/sq mi	Ringgold, GA	3,647
749.9/sq mi	Fort Oglethorpe, GA	9,368

## Population Growth (Hamilton County):

- 4<sup>th</sup> Largest County in TN
- 2020 Population: 366,207
- 2010 – 2020 Growth: +11.3%
- 2021: Hamilton County Ranked #8 out of 50 TN Counties for Growth (Stacker)
- 2018: Highest % Increase in Population Growth for TN's 4 Biggest Cities
- 2015: 2<sup>nd</sup> Fastest Growing of TN's 4 Biggest Cities

## By Comparison:

	Hamilton County, TN	Catoosa County, GA
Rank of County Size	#4	#37
2020 Population	366,207	67,780
2010-2020 Growth	11.3%	5.8%

# Need: Parkridge East ED is busiest in region; meets ACEP guidelines for expansion

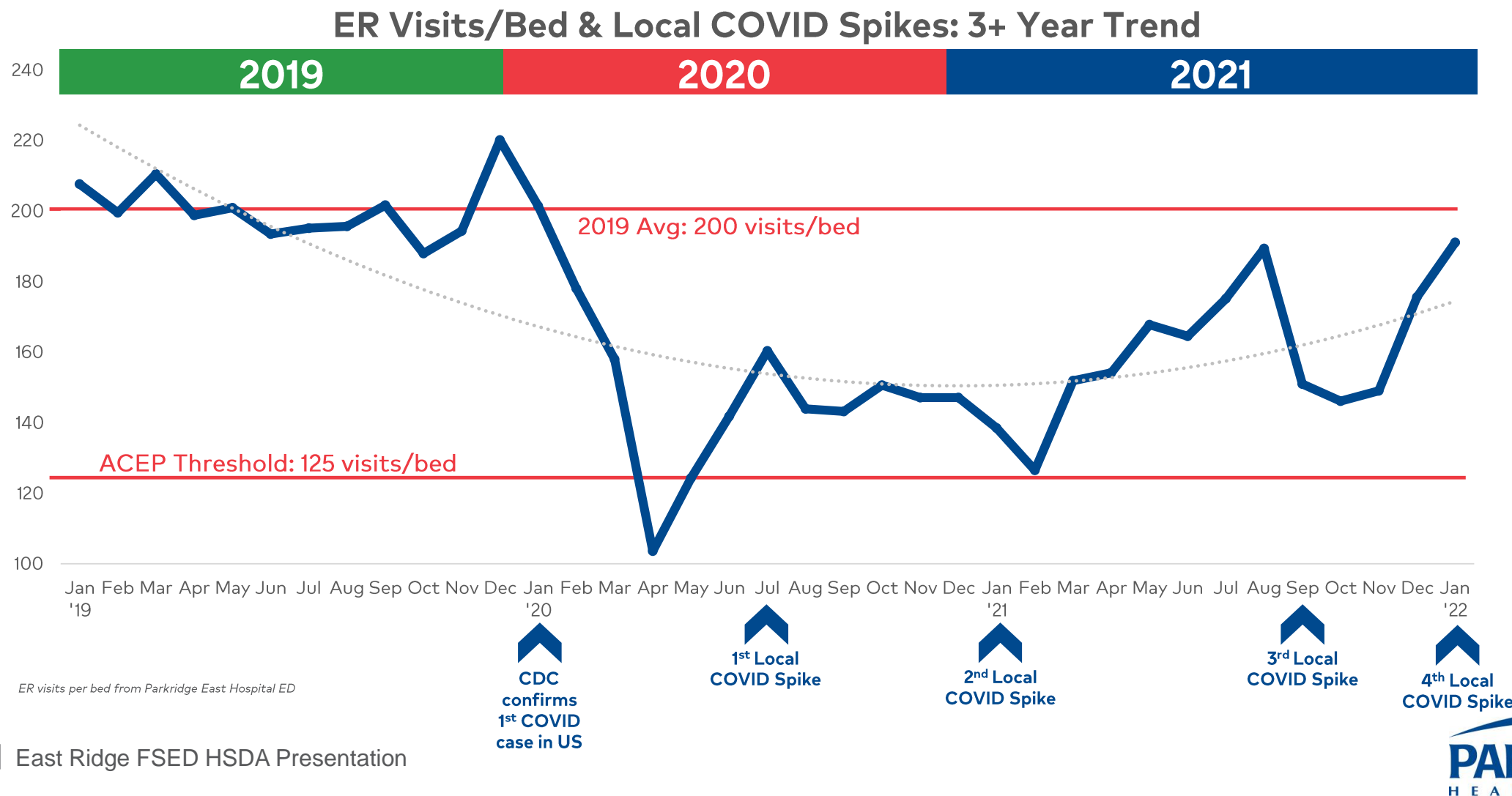
**2018 - 2020:** #1 in ED visits per room in Chattanooga

**2020:** Exceeded ACEP utilization by 18% despite national decline in ED volumes

ED	Distance from East Ridge ED	ED Utilization, 2018-2020			
		Avg Visits/Year	# Rooms	Visits per Room	vs. ACEP guidelines (1,500 visits/room)
Parkridge East	1.8 miles	41,567	19	2,188	146%
Erlanger East	5.1 miles	39,526	20	1,976	132%
Parkridge Medical Center	6.2 miles	34,302	23	1,491	99%
Memorial Healthcare - Hixson	13.8 miles	29,727	20	1,486	99%
Erlanger North Hospital	15.6 miles	13,105	9	1,456	97%
CHI Memorial	7.1 miles	41,736	34	1,228	82%
Erlanger Hospital	9.3 miles	90,226	80	1,128	75%
CHI Memorial – Georgia	7.4 miles	20,043	18	1,114	74%
<b>Total Service Area</b>	<b>N/A</b>	<b>310,235</b>	<b>223</b>	<b>1,391</b>	<b>93%</b>

*East Ridge ED is most proximate to Chattanooga's busiest EDs*

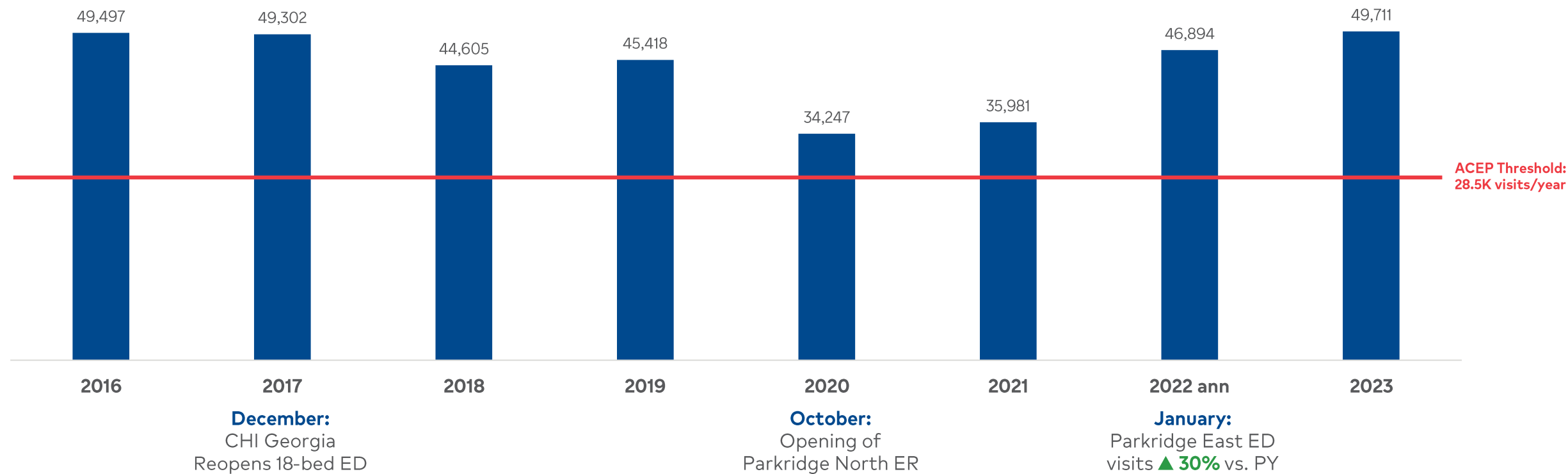
# Need: Despite COVID-19's Continued Presence, Demand on Parkridge East's ED is Rebounding toward Pre-COVID Levels



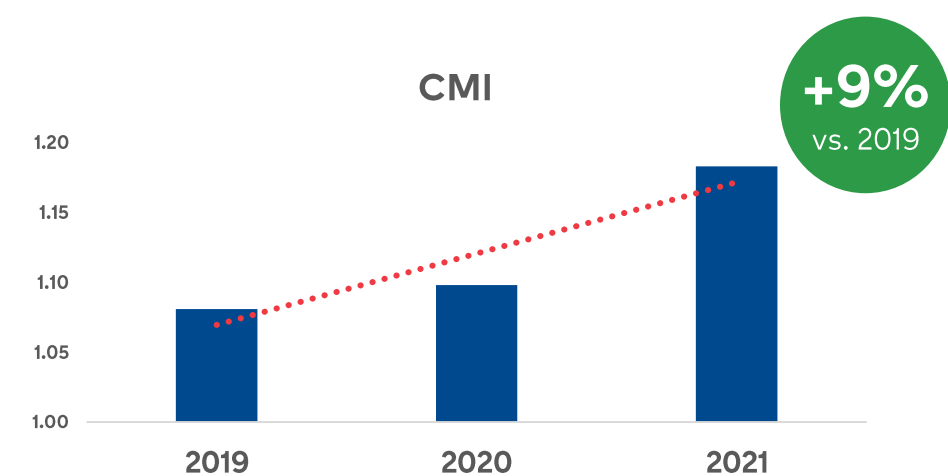
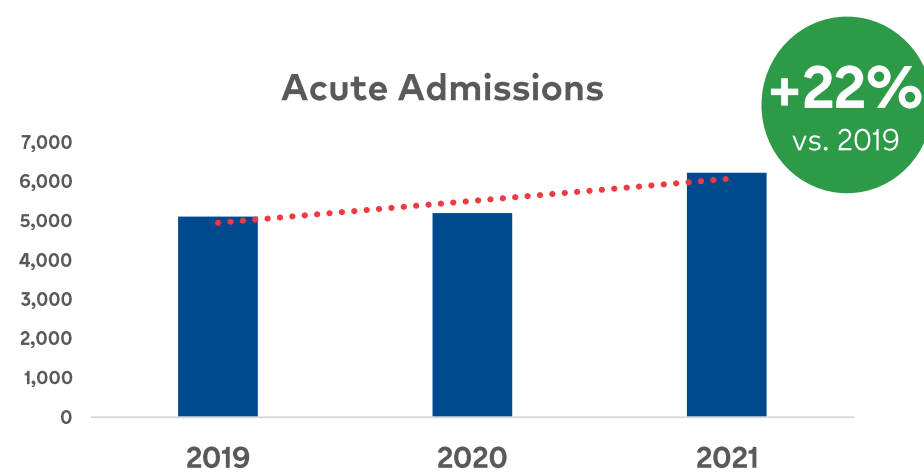
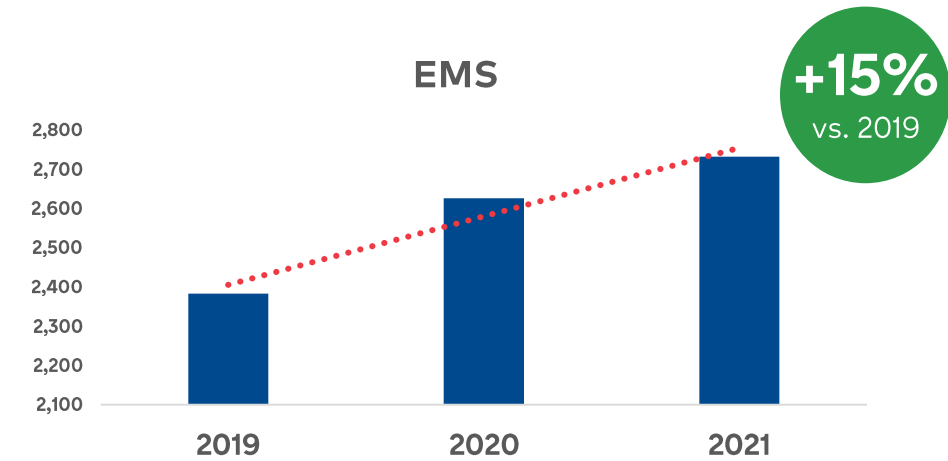
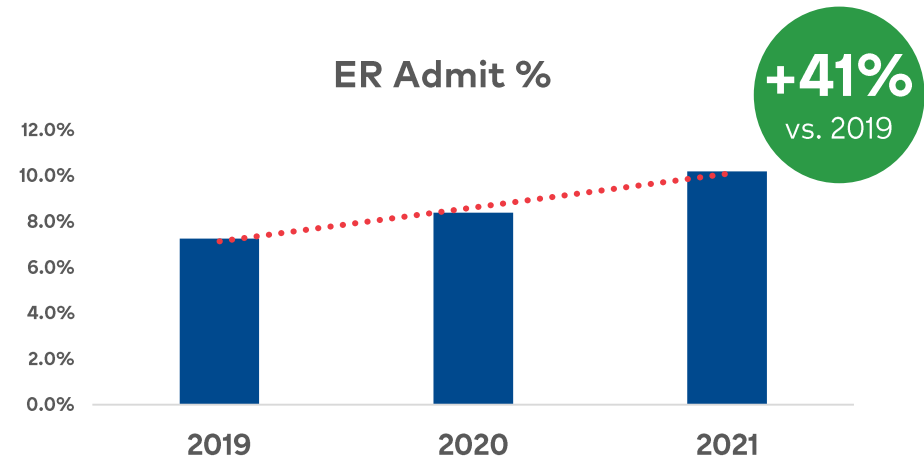


# Need: Additional ED Beds in the Market Have Successfully Decompressed Parkridge East ED

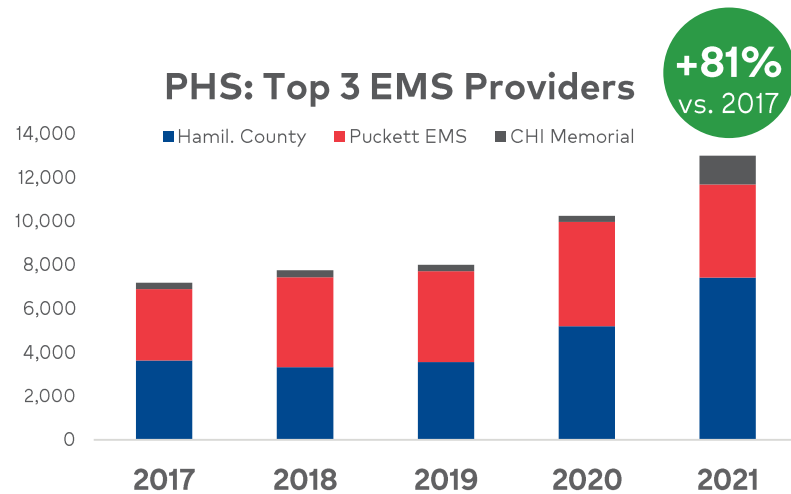
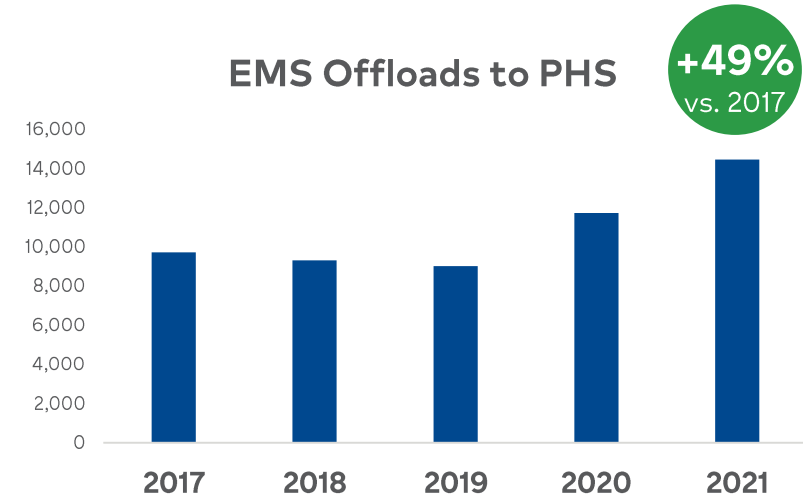
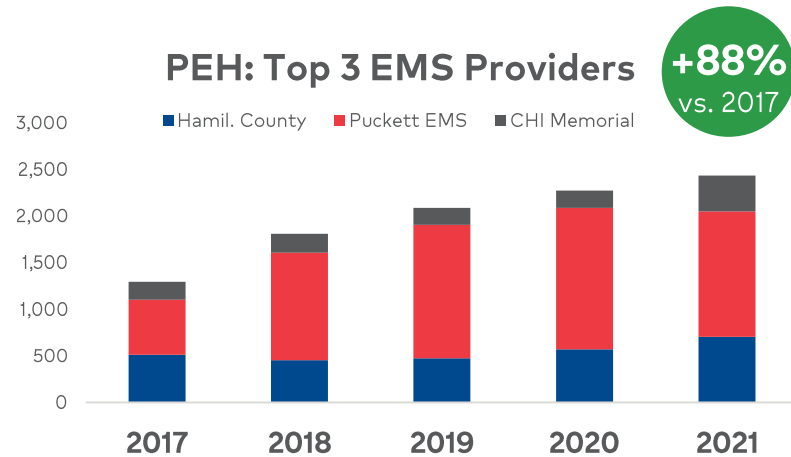
Total Emergency Visits: Parkridge East ED



# Need: Patient acuity at Parkridge East Hospital ED has steadily increased since 2019



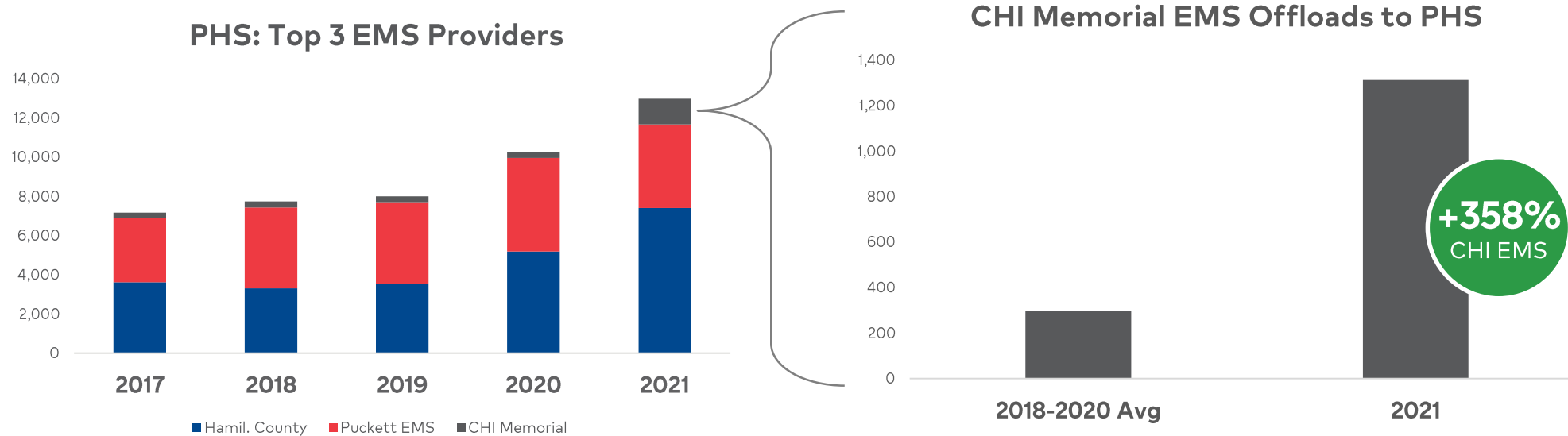
# Need: EMS Offloads to Parkridge East have never been Higher



- EMS activity continues to increase across all of Parkridge Health System



# Need: CHI EMS has increased its reliance on Parkridge



## Patient Testimonial

January 25, 2022

“My husband went to Parkridge East ER yesterday and had an exceptional experience. He had COVID that turned to Pneumonia. **He went to Memorial ER the day before and waited 7 hours and was then told he had at least 8-10 hours more to wait.** So, he left. How does Parkridge manage to do so much better? He was seen immediately and diagnosed and discharged in 2 hours.”

# Need: Parkridge East cannot expand ED on current campus

- Campus is landlocked, creating expansion challenges
- EDs with comparable volume are more than 2x larger than Parkridge East

**Parkridge East vs. ACEP Recommendations**  
(for Hospital EDs w/~35,000 visits/year)

Facility	Dept Sq. Ft.	Visits/Bed	Area/Bed
ACEP Average	21,450	1,386	838 SF/Bed
Parkridge East	9,961	2,188	524 SF/Bed



# Need: East Ridge FSED will resolve ED capacity challenges at Parkridge East

## Necessary Space Expansion:



+10,000 square feet;  
+12 additional beds



Normalizes Parkridge East  
ED with ACEP standards



Less than 2 miles from  
Parkridge East

## Patients Will Choose New Location:



Closer to home for most  
Parkridge East ED visitors



Closer to interstate for  
EMS, patient convenience

# John W. Marshall, M.D.

Regional Medical Director,  
Emergency Services,  
Parkridge Health System



- 1993 U. of Kentucky Medical School
- 1995 Board Certified in Family Practice Medicine
- Experienced ER physician (27 Years)

- East Ridge FSED will help alleviate capacity constraints at Parkridge East and enhance access to emergency care.
- Parkridge East is uniquely positioned to establish a successful FSED to enhance access to care for all area residents



# Quality: Proposed FSED will have same accreditation requirements as satellite location of Parkridge East Hospital

## Parkridge East Hospital Accreditations:



Accreditation +  
Top 25% (Quality)



Accreditation + Top  
Quality Performer



Effective Delivery Infant  
Safety Program



Chest Pain  
Accreditation



Primary Stroke  
Accreditation



Mammography  
Accreditation

## East Ridge FSED will provide:



Board Certified Physician Presence



CT, X-Ray, and Ultrasound Capabilities



Full-Service Lab



Crash Carts Stocked for Lifesaving Treatment



Ventilators, Glide Scopes for Difficult  
Intubations

**Bottom Line: Same Team, Same Equipment, and Same Standards as a Hospital-Based ER**

# Quality: Life-Saving Items Available to the Community

1. Adult Resuscitation Cart
2. Pediatric Resuscitation Cart
3. Pediatric Intubation Kit
4. EV1000 Hemodynamic Monitoring System
5. Cardiac Monitor
6. Rapid Blood Infuser
7. Critical Equipment / Supplies
  - a) Pediatric / Adult Ventilator
  - b) Cricothyrotomy Kit
  - c) Chest Tube Kit
  - d) Central Lines
  - e) Foley Catheters
8. Pyxis: Critical Medications



## Quality: Proposed FSED's Consumers will benefit from Parkridge's East's High Quality Standards

Key Quality Measures	How to Interpret	National Standard	Parkridge Performance
Median Time from ED Arrival to Departure	Lower is Better	175 Minutes	<b>118 Minutes</b>
Stroke: Median Door to Needle	Lower is Better	60 Minutes	<b>32 Minutes</b>
Sepsis Early Management	Higher is Better	80%	<b>82%</b>
Hip Fracture correction within 24 hrs.	Higher is Better	70%	<b>87%</b>
Complication Index	Lower is Better	1.0	<b>0.45</b>
Mortality Index	Lower is Better	1.0	<b>0.61</b>

# Quality: Proposed FSED’s Consumers will benefit from Parkridge’s East’s High-Quality Standards

Key Quality Measures	How to Interpret	National Standard	Parkridge Performance
Median Time from ED Arrival to Departure	Lower is Better	175 Minutes	118 Minutes



- HCA Goal: 125 Minutes
- Goal does not change based on volume or acuity
- Consumers benefit from HCA’s focus on ED turnaround time



Efficient Emergency Care is an **Expected Standard** of **ALL** HCA EDs

# Quality: Proposed FSED's Consumers will Benefit from HCA's Existing Clinical Infrastructure of Strong FSED Performance

## BENEFITS OF SCALE

- **HCA Operates 118 FSEDs**
- 1.6M ED visits annually
- 11 states
- 6 FSEDs in TN (Nashville)



## TN FSEDs BY THE NUMBERS

- 80k visits in 2021
  - Including EMS (ambulance) drop-off
- ED team treats complex patients, multiple diagnoses
  - Neuro/Stroke
  - Cardiac Arrest
  - Pulmonary/COVID
  - Orthopedic/Traumatic Injury
  - Behavioral Health/Drug Overdose
- 88% CPT Code Levels 3-5 (highest level ED care)
- Operational Excellence
  - 2 minute average triage time for EMS patients
  - 5 minute average wait-time (arrival-to-bed)



# Quality:

## FSED vs. Urgent Care

- UCCs can turn patients away
- UCCs do not have charity care obligations and are not required to accept TennCare patients
- UCCs do not operate 24/7/365
- Patients are choosing Parkridge East ED despite presence of UCCs
- UCCs in service area have not alleviated capacity constraints at Parkridge East

Capabilities of the Emergency Department Compared to Typical Urgent Care Center			
Condition	Urgent Care	Parkridge East Campus ED	Proposed East Ridge FSED
Stroke	X	✓	✓
Severe Chest Pain	X	✓	✓
Traumatic Injuries	X	✓	✓
EMS Offload	X	✓	✓
Advanced Life Support	X	✓	✓
Deep Puncture Wounds	X	✓	✓
Complex Radiological Services	X	✓	✓
Patients in Labor	X	✓	✓
Complex Lab Services	X	✓	✓

# Quality: Acuity Differences – UCCs vs FSEDs

- The proposed FSED will serve patients with higher severity & more complex conditions than existing Urgent Care Centers – **92.7% highest acuity levels**
- The proposed FSED will serve few patients of low acuity – **7.3% lowest acuity levels**

Parkridge East & Proposed Satellite ED Historical & Projected Emergency Severity Index (ESI)

Level of Care	Main ED	Main ED	Main ED	Satellite ED	Main + Satellite
	2019	2020	Year 1 (2023)	Year 1 (2023)	Year 1 (2023)
Level 1	696	604	758	166	924
Level 2	3,318	2,306	2,961	549	3,509
Level 3	21,869	15,575	18,800	3,774	22,574
Level 4	14,084	10,544	11,782	3,767	15,549
Level 5	5,667	4,967	5,395	1,594	6,989
Level Unknown	45	83	166	0	166
<b>Total</b>	<b>45,679</b>	<b>34,179</b>	<b>39,861</b>	<b>9,850</b>	<b>49,711</b>

# Quality: Access Differences – UCCs vs FSEDs



Physicians Care  
April 3, 2021 · 🌐



We will be  
**Closed Easter Sunday**



Physicians Care  
November 24, 2021 · 🌐

We are sorry for any inconvenience, but our centers are **CLOSED** today for the Thanksgiving holiday. We will resume regular hours on November 26.



closed for  
**THANKSGIVING**

 Like  Comment  Share




Physicians Care  
December 24, 2021 at 4:10 PM · 🌐

We are sorry for any inconvenience, but our centers are closed on Christmas Day so Team Members can spend time with their friends and family. Stay safe and healthy.  
We will resume regular business hours on December 26.




**MERRY CHRISTMAS**  
**WE'RE CLOSED CHRISTMAS DAY**  
WE WILL REOPEN TOMORROW AT NORMAL TIME

 Like  Comment  Share



**East Ridge, TN**  
Physicians Care

[Hold My Spot ®](#) [Schedule Virtual Visit](#)

**Address**  
403 McBrien Rd,  
Chattanooga, TN 37412  
 Near East Ridge Theater

**Attention:**  
We are sorry for the inconvenience, but the East Ridge center is closed today, Jan. 17. If you need immediate medical assistance that does not require testing, our Telemedicine services are available from 8am – 8 pm by clicking "Schedule Virtual Visit."



# Consumer Advantage: Chattanooga Economy is Surging

Business Investments to  
Greater Chattanooga  
Area in last few years

**+\$7B**  
& 5K+ Jobs

**\$3B**

**\$4B**



Company	Location	Investment	Jobs	Timing
Nippon Paint	East Chattanooga	\$60M	150	Underway
McKee Foods	Hamilton County	\$500M	480	Underway
Nokain Tyres'	Rhea County	\$360M	400	Underway
Sese Industrial	Hamilton County	\$40M	250	Underway
The Bend	West Chattanooga	\$4B	Unknown	Underway
Volkswagen	Hamilton County	\$800M	1000	Announced 2019
Hanwha Q Cells	Whitfield County	\$150M	500	Completed 2019
Google	Jackson County	\$600M	100	Completed 2019
GE Appliances	Murray County	\$32M	110	Completed 2018
Engineered Floors	Whitfield County	\$350M	1000	Completed 2018

# Consumer Advantage: East Ridge Attracting Significant Business Developments along I-75 & I-24

East Ridge is seeing a surge in new development with more in the pipeline.

**\$125M Housing/  
Retail Space**



## New Attractions:

- Bass Pro Shops
- Topgolf
- Southern Honda Powersports dealership
- Pandora's European Motorsports
- TownPlace Suites by Marriott
- Hampton Inn
- Craft Axe Throwing
- Lexor Nail Spa
- Dairy Queen
- DosBros
- Chic-fil-a
- Starbucks
- Buddy's Bar-B-Q
- Jonathan's Grille



# Consumer Advantage: Chattanooga and East Ridge are Growing Residential Population



**Charles Wood**

VP Economic Development  
Chattanooga Area  
Chamber of Commerce

*Chattanooga's housing market continues to be red hot....We have had discussions with national home builders who are starting to explore significant investments in the market due to the lack of inventory and Chattanooga's strong job growth.*

*Situated between Chattanooga and the GA state line, East Ridge is one of the most densely populated cities in TN.*

- ChooseChatt.com



## Chattanooga:

- 78 Proposed or Completed Housing Developments over last 2 years
- 35 Apartments
- 19 Townhomes
- 15 Condominiums

## East Ridge:

- 400 Proposed Apartment & Condominium Units
- 375 Hotel Rooms
- 475,000 Sq Ft of Commercial Space

# Consumer Advantage:

## High level of support from Local Physician Groups



**Dr. Keith Helton**

Founder & Chairman  
One to One Health

*To access other area providers in downtown Chattanooga, many area residents must travel...congested surface streets, making travel time...much longer than ideal in an emergency situation...An FSED right off I-75 Exit 1 is much more convenient for area residents.*



**Dr. Siobhan A. Duff**

President  
Chattanooga Family Practice

*We are an independent physician owned practice founded in 1984, currently serving some 40,000 patients in the East Ridge area. As both an attending and referring physician, I see firsthand the increasing daily volume and load on the medical team in the ER...An FSED in the community could certainly help to ease this burden.*



**Rebecca J. Farmer**

CEO, Center for Sports  
Medicine & Orthopedics

*Despite the high volume of patients coming through the ED, Parkridge East continues to provide high quality emergency services for service area residents; however, the hospital is clearly in need of additional capacity.*



# Consumer Advantage:

## High level of support from EMS and First Responders



**John T. Miller**

Director, Hamilton  
County (Chattanooga)  
EMS

*The call volume for EMS has steadily been rising over the past several years, and the pandemic certainly has added to that... This year we have already responded to 44,107 calls... This has further affected wait times at all area hospitals... This proposed facility would provide another option for patients and would help to alleviate overcrowding issues.*



**Stan Allen**

East Ridge  
Chief of Police

*I have resided in Hamilton County, TN my entire life. As an active member of the City of East Ridge and the Chief of Police, I would like to express my support.*



**Mike Williams**

Fire Chief  
City of East Ridge

*I am excited about this opportunity for Parkridge East Hospital to better serve our community. I have experienced wait times due to very busy ERs...with increased residential and business growth these will only increase... This proposed location is ideally located near the largest public park in Hamilton County with the easy access from our interstates.*



# Consumer Advantage: High level of support from Local Officials



**Jim  
Coppinger**  
Mayor, Hamilton  
County

*“As the only major provider of emergency healthcare services in East Ridge, we know the Parkridge East emergency room is extremely busy. This increases wait times for patients and creates increased turnaround time for our EMD providers and other community partners. The proposed freestanding emergency room would provide improved access to emergency services for the community we serve.”*



**Tim Kelly**  
Mayor, City of  
Chattanooga

*“As our region continues to grow, this freestanding emergency department will be a valuable addition to our regional healthcare system and add to our local resiliency...The City of Chattanooga has a high degree of confidence in Parkridge’s ability to provide excellent services to the communities they serve.”*



**Brian  
Williams**  
Mayor, City of East  
Ridge

*“The local community – including my family and I – rely on Parkridge East and its physicians for our healthcare needs, including ED services. We always know we are going to receive high quality, thoughtful care...Parkridge East is the only provider that can improve access to ED services for my community.”*



# Consumer Advantage: High level of support from State Officials



**Esther Helton**

Representative  
State of Tennessee  
(East Ridge, Hamilton)

“*The proposed freestanding emergency room would provide improved access to emergency services for the community we serve... Parkridge East is well known in the community for providing high quality, patient centered care close to home.*”



**Yusuf Hakeem**

Representative  
State of Tennessee  
(Hamilton)

“*I would like to express my support... to establish a freestanding emergency department as a satellite emergency department to Parkridge East Hospital in East Ridge, Tennessee.*”

# Consumer Advantage: High level of support from State Officials



**Bo Watson**

Senator  
State of Tennessee  
(Hixson)

“*A free-standing emergency department located less than one-half mile off of Exit 1 creates more efficient access to emergency services for the residents of East Ridge and the surrounding communities... When seconds matter, having a satellite emergency department with efficient and easy access is critical...Parkridge East is best positioned to provide this enhanced level of emergency services.*”



**Todd Gardenhire**

Senator  
State of Tennessee  
(Chattanooga)

“*I have resided in Chattanooga, TN for 73 years and actually lived in East Ridge on Fruitland Way and Wiley Ave. I have several first cousins that actually live there now. Both my cousins, Walt and Billy, have expressed a need to have an emergency room better located close to them.*”

# Consumer Advantage: High level of support from local Leaders



**Carol Berz**

Councilwoman, District 6

“*There have been several recent major developments in the area, including multiple large retail stores, restaurants, sports complexes, and hotels. These developments contribute to the recent increase in..new residents choosing the East Ridge community as their home.*”



**Regina McDevitt**

Executive Director  
Family Justice Center

“*At the Family Justice Center, we sometimes see survivors of domestic violence needing assistance for social services support and who also need to be checked out medically and it would be a great resource to have an emergency services department within 1 mile of our center*”

# Consumer Advantage: High level of support from local Ministers



**Rev. Ted Verville**

Mission Ridge Baptist Church

*I have resided in Walker County, GA for 24 years...and am an active member of the local community. I would like to express my support.*



**Rev. Letitia Judkins-Davis**

All Nations Church

*I often hear the many experiences of individuals who have had life-changing health issues. The importance of having adequate and convenient healthcare in our communities is necessary, and vital to the survival of individuals who may experience emergent situations. So many families in our communities rely on Parkridge East Hospital for their healthcare needs, and I believe adding a freestanding emergency department close by would add to the healthcare security of the community.*



**Alfred Hawkins**

Pastor,  
Transfiguration Church

*I have resided in Hamilton County, TN for 50 years, and...I would like to express my support.*



# Reviewing Opposition: CHI Memorial asks you to oppose this FSED on the basis of

- A Future Georgia Hospital that does not exist
- A Future Georgia Hospital that is not CON Approved
- Orderly Development considerations that are no longer part of TN law
- Summary: CHI says the community does not need this FSED yet cites demand to justify its proposed project (?)

## Other Considerations:

- CHI's proposal involves shuttering one of their existing hospitals in one city to build a hospital in another city.
- CHI sites cost as a reason to oppose, yet they are the most expensive ER option in the market:

CPT	Description	Parkridge System	Erlanger	CHI Memorial	
99281	LVL 1 EMER DEPT	\$ 403.12	\$ 242.00	\$384.00	
99282	LVL 2 EMER DEPT	\$ 528.07	\$ 408.00	\$823.00	Most Expensive
99283	LVL 3 EMER DEPT	\$ 867.98	\$ 814.00	\$1,042.00	Most Expensive
99284	LVL 4 EMER DEPT	\$1,051.55	\$1,454.00	\$1,225.00	More Expensive
99285	LVL 5 EMER DEPT	\$1,572.71	\$1,611.00	\$1,828.00	Most Expensive
99291	CRIT CARE 1ST 30-74 MINS	\$1,978.76	\$2,365.00	\$2,367.00	Most Expensive

# Reviewing Opposition: CHI Memorial Makes a 6-year financial commitment, *Marketing* to the growth occurring in East Ridge

ADD TO MY REPORT

## GREATER CHATTANOOGA ECONOMIC PARTNERSHIP HONORED AS TOP ECONOMIC DEVELOPMENT AGENCY

May 12, 2021

The field of economic development may have never seen a more c through the pandemic as businesses have struggled through 2020.

Despite the turbulence of the past year, Chattanooga's economic development has thrived, and we were ranked No. 10 for job growth by USA Today, with several partners and companies further investing in our economy.

These accomplishments are largely due to the work and leadership of the Chattanooga Chamber's Greater Chattanooga Economic Partnership (GCEP), and with our community's support, partnership and encouragement, GCEP was recognized as a 2021 Mac Conway Award Winner.

Site Selection's Mac Conway Awards for Excellence in Economic Development recognize the top local and regional economic development agencies in the U.S. Honorees were determined by an index that examines 2020 corporate facility investment as tracked by Site Selection's proprietary Conway Projects database. Scores were awarded based on total projects, total investment associated with those projects and jobs associated with those projects, and given to the nation's top 20 economic development organizations.

Locations throughout the U.S. and the world compete for direct investment, and this award highlights our community's ability to land economic development projects, including expansions and locations.

GCEP's significant projects in 2020 included McKee Foods (consumer products), Sese Industrial (automotive), Gestamp Chattanooga (automotive), Echelon Fitness Multimedia (consumer products), Confluent Medical Technologies (life sciences) and Zeus Industrial (plastics and life sciences).

"We are thrilled to initiate our Industrial Automotive activities in the USA in such a historical location as Chattanooga, Tennessee, serving our valued customer Volkswagen, and more so on their all-new electric vehicle models," says Alfonso Sesé, President of Grupo Sesé, which recently announced the new presence of Sese Industrial in the Chattanooga region.

By Natalia Pérez

Chattanooga ranked #10 for job growth by USA Today.

Sections

Chattanooga Times Free Press


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Breaking: COVID-19 vaccinations, cases and deaths in the Chattanooga region

Business Around the Region

## CHI Memorial gets naming rights for Chattanooga Red Wolves soccer stadium

March 5, 2020 | by Mike Pare | Copyright © 2022



This photo of a rendering shows the sign design at CHI Memorial Stadium. CHI Memorial has secured the naming rights for the Chattanooga Red Wolves Soccer Club's new stadium in East Ridge. / photo contributed by CHI Memorial

Janelle Reilly, CEO of CHI Memorial in Chattanooga, said CHI “has a long history of investing in the growth and development of the communities it serves.”

East Ridge Mayor Brian Williams said \$125M Development is “the single largest private investment and economic boost in the history of that city.”

# Reviewing Opposition: CHI Memorial Believes in Chattanooga's Growth

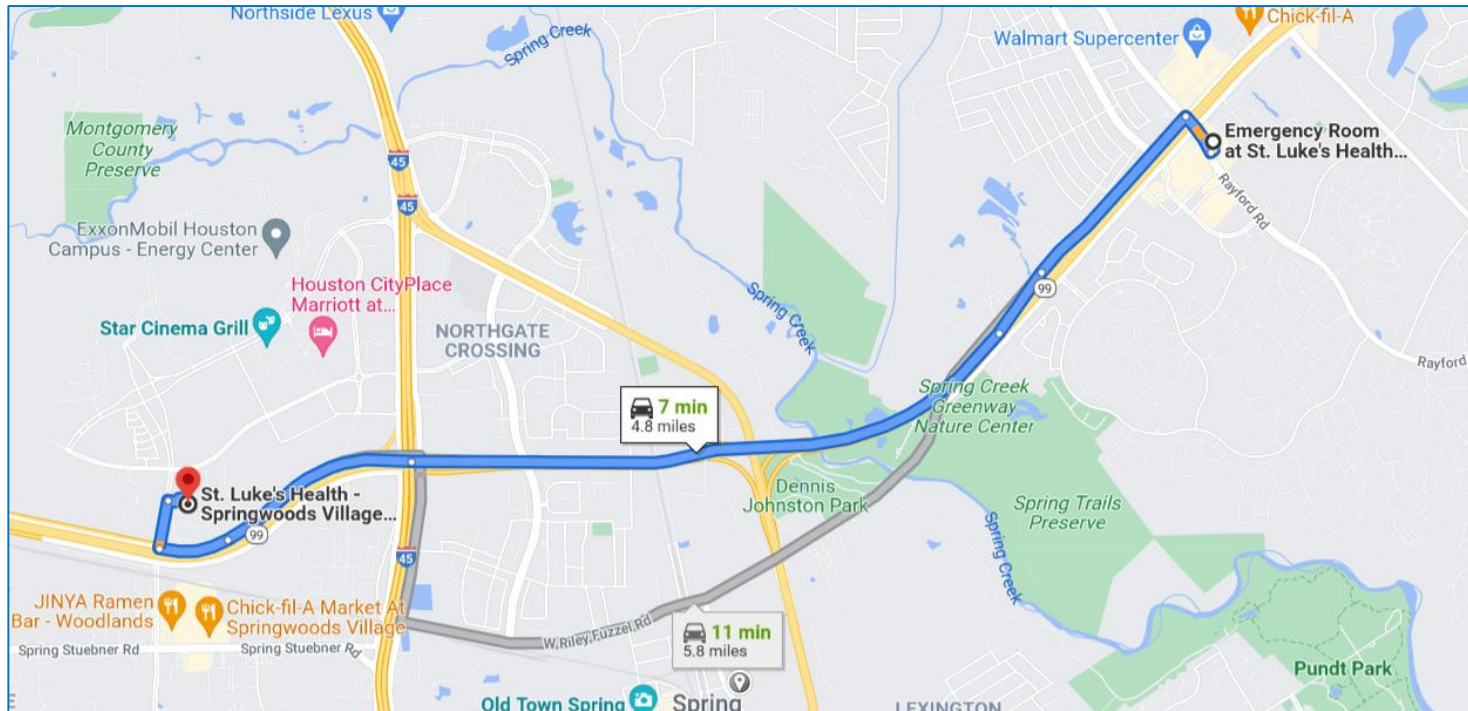


*“Economic growth and population growth is very beneficial because it allows us to add additional jobs that have benefits and allows us to recruit additional physicians, nurses and other staff that in turn allow us to provide better healthcare for the community.”*

**Janelle Reilly**  
CHI Memorial CEO and  
Chattanooga Chamber  
Chair Elect.

# CHI claims FSEDs belong only in Rural settings, yet CHI Operates FSEDs in Urban/Suburban settings

- CHI St. Luke's Health, Spring Texas
  - A suburb of Houston with 60,976 residents in a single ZIP code
  - FSED is located 4.8 miles from St. Luke's Health Springwood Village Hospital



## Convenient Emergency Room Services in Spring, Texas

Now, the high-quality emergency care you deserve is closer than ever. St. Luke's Health Emergency Room–Spring, a department of St. Luke's Health–The Woodlands Hospital, offers the resources of the Texas Medical Center in your neighborhood, 24 hours a day, seven days a week.

St. Luke's Health ERs are staffed by emergency-trained physicians and nurses, as well as licensed radiology and laboratory technologists. We provide care to people of all ages with minor and major injuries or illnesses without the long wait typically experienced at a hospital emergency department.

If you believe you have a life-threatening emergency, please call 911. You can request the ambulance take you to a St. Luke's Health Emergency Room.

## Emergency Services Without the Wait

We offer emergency care for all ages with less wait time. As a hospital-affiliated ER, patients can expect to have access to on-call specialists and seamless admission to a St. Luke's Health hospital when necessary. If you would like to check in online for your emergency visit, choose your arrival time below.



# CON Should Be Granted:



## 1. The project is needed:

- Meets all applicable FSED criteria
- Existing facilities are highly utilized
- ED has exceeded ACEP 1,500 visits/bed standard for the past 3 years



## 2. The project will be positive for consumers:

- Provides Access to Patients: new site service in growing area of region
- Significant support for project by EMS, Community Groups, Leaders










## 3. The project will meet appropriate quality standards:

- Parkridge East ED quality in top 25% of TN Emergency Departments
- Joint Commission, Chest Pain, Stroke Accreditations
- HCA (Parkridge HS Parent Company) expertise from operating most FSEDs in U.S. & most in state of TN

# APPENDIX

# FSED Criteria: Parkridge East Meets All Criteria

	Criteria	Applicant's Response
	1. The applicant must demonstrate need for an emergency department in at <u>least one</u> of the following ways: a) Geographic Isolation - NA <b>b) Capacity Challenges, or</b> c) Low quality of care at emergency department in the area - NA	<ul style="list-style-type: none"> <li>Parkridge East has demonstrated need based on capacity challenges.</li> <li>Existing EDs in the service area operated on average above the ACEP standard visits/bed for three years.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>
	2. Applicants seeking expansion of the existing host hospital ED through the establishment of a FSED to decompress patient volumes should demonstrate the existing ED of the host hospital is operating at or above capacity based on ACEP Guideline.	<ul style="list-style-type: none"> <li>The application demonstrate capacity constraints at Parkridge East.</li> <li>Parkridge East exceeds ACEP guidelines for visit/room and square feet/room.</li> <li>Parkridge is landlocked and cannot expand on its existing campus.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>
	3. The proposal shall discuss what similar services are available in the service area and the trends in occupancy and utilization of those services.	<ul style="list-style-type: none"> <li>The application presents data to describe available similar services in the service area and their utilization levels.</li> <li>Additional ED capacity is needed in the service area.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>
	4. The quality of the host hospital should be in the top quartile of the state in order to be approved for the establishment of a FSED.	<ul style="list-style-type: none"> <li>Parkridge East is in the top quartile for available quality measure.</li> </ul> <a href="#"><u>Parkridge East meets this criteria</u></a>
	5. The applicant should discuss why a FSED is the appropriate model for the delivery of care in the proposed service area.	<ul style="list-style-type: none"> <li>Parkridge East has described in detail the service to be offered and experience in and plan for offering such services.</li> <li>The FSED is appropriate to meet the growing needs of the East Ridge community.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>
	6. The FSED should be located within a 35-mile radius of the hospital that is the main provider.	<ul style="list-style-type: none"> <li>The proposed FSED is 1.8 driving miles or 1-mile straight line from Parkridge East.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>
	7. The applicant must demonstrate an ability and willingness to serve equally all of the service area in which it seeks certification.	<ul style="list-style-type: none"> <li>Parkridge East documents historical access to equally serve all of the service area patients.</li> <li>Parkridge East document a plan to ensure access at the FSED.</li> </ul> <a href="#"><u>Parkridge East meets this criteria.</u></a>

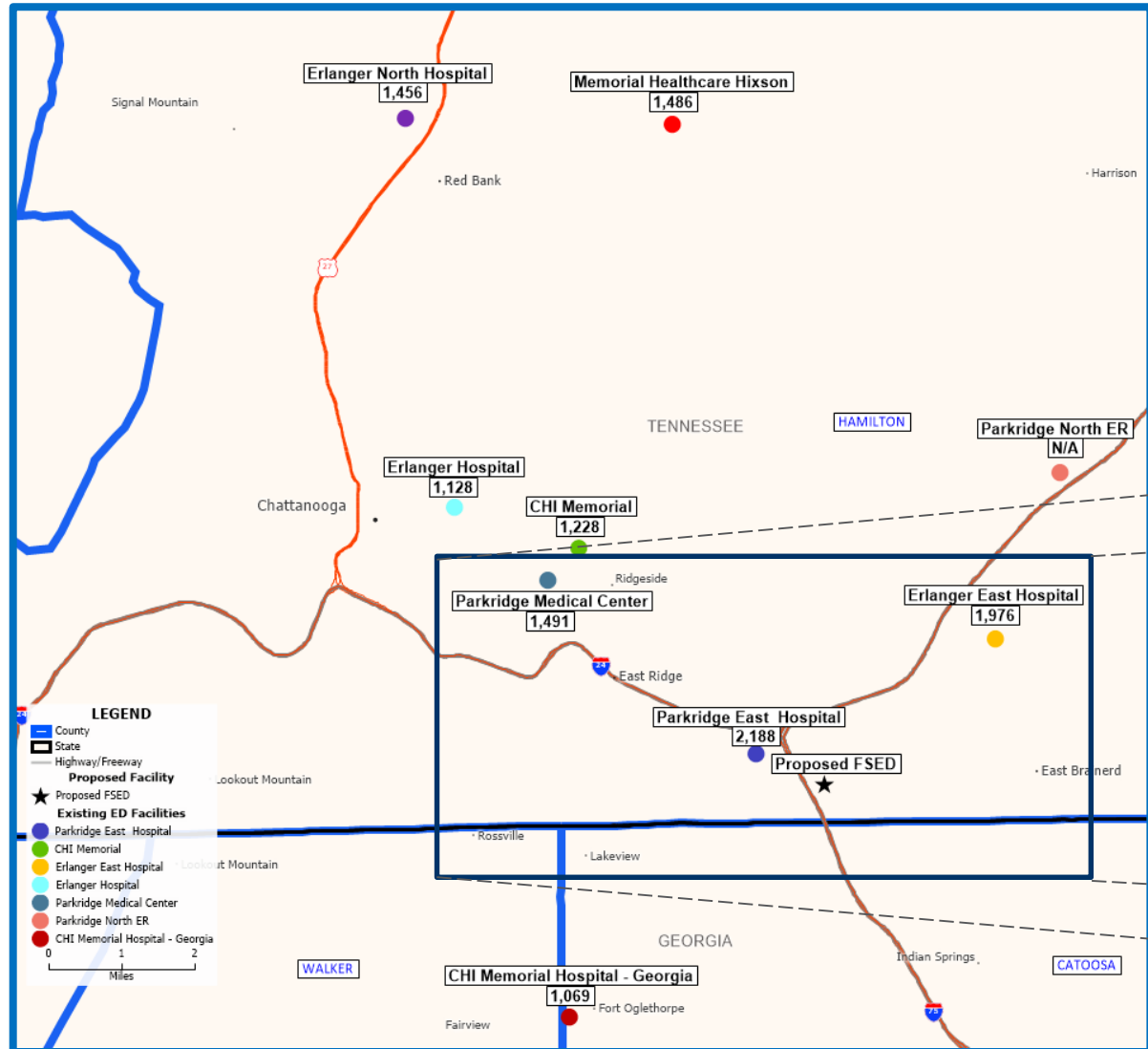
# FSED Criteria: Parkridge East Meets All Criteria



Criteria	Applicant's Response
8. Special consideration shall be given to applicants providing services fulfilling the unique needs and requirements of certain high-need population, including patients who are uninsured, low income, or patients with limited access to emergency care	<ul style="list-style-type: none"> <li>Parkridge East serves and will continued to serve through the FSED, significant numbers of uninsured and low-income patients presenting with emergency care need.</li> <li>In CY 2020, 58.9% of Parkridge East's ED patients were uninsured or low-income. <a href="#"><u>Parkridge East meets this criteria.</u></a></li> </ul>
9. Establishment of a non-rural service area: The geographic service area shall be reasonable and based on an optimal basis between population density and service proximity of the applicant.	<ul style="list-style-type: none"> <li>The proposed FSED service area represents a densely populated and rapidly growing area that will benefit from increase access to ED services based on capacity constraints at Parkridge East ED.</li> <li>Parkridge East provided all required patient origin and market share data for existing ED services and the projected FSED. <a href="#"><u>Parkridge East meets this criteria.</u></a></li> </ul>
10. The proposal's relationship to underserved geographic areas and underserved population groups shall be a significant consideration. Complete the following table of federally designated areas in the proposed service area to address this portion of the standards.	<ul style="list-style-type: none"> <li>The proposed service area ZIP codes are Medically Underserved Area, Health Professional Shortage Areas, and Shortage Areas for Mental Health Services <a href="#"><u>Parkridge East meets this criteria.</u></a></li> </ul>
<p>Parkridge East Documents in its application that is meet all other FSED Criteria related to:</p> <ul style="list-style-type: none"> <li>11. Composition of Services</li> <li>12. Pediatric Care</li> <li>13. Assurances of Resources</li> <li>14. Adequate Staffing</li> <li>15. Medical Records</li> <li>16. Stabilization and Transfer Availability for Emergent Cases</li> <li>17. Education and Signage</li> <li>18. Community Linkages</li> <li>19. Data Requirements</li> <li>20. Quality Control and Monitoring</li> <li>21. Provider-based Status</li> <li>22. Licensure and Quality Considerations</li> </ul>	

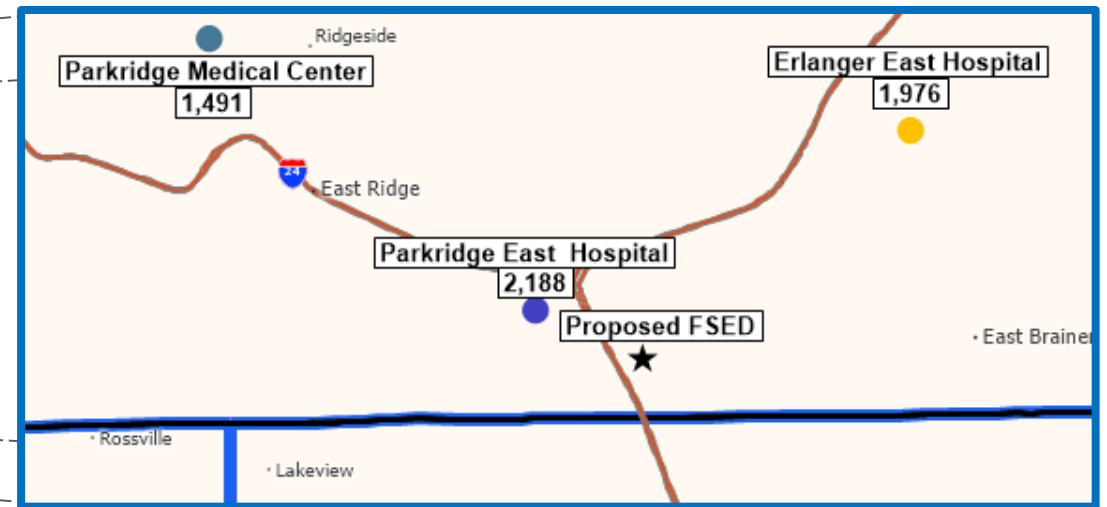


# FSED Criteria: East Ridge FSED Located Near Busiest EDs in Chattanooga



## New East Ridge FSED:

- ✓ 2 Miles from Parkridge East
- ✓ Located most proximately to two busiest EDs in Chattanooga market
  1. Parkridge East: 2,188 visits/room
  2. Erlanger East: 1,976 visits/room
- ✓ Addresses area capacity constraints



# FSED Criteria: Expansion of the Parkridge East ED not feasible

## **X** Campus Expansion

Cost: **\$25M**

Time to Complete: 2-3 Years

Would sacrifice other crucial patient care services (Women's expansion)

## **✓** East Ridge FSED

Cost: **\$12M**

Time to Complete: 1 Year

Closer to over 50% of patients who seek care at Parkridge East ED



# FSED Criteria: Parkridge East Hospital ED meets criteria for access (measured by payor mix and charity care)



Criteria	Applicant's Response
7. The applicant must demonstrate an ability and willingness to serve equally all of the service area in which it seeks certification.	<ul style="list-style-type: none"> <li>Parkridge East documents historical access to equally serve all of the service area patients.</li> <li>Parkridge East document a plan to ensure access at the FSED.</li> </ul> <b><u>Parkridge East meets this criteria.</u></b>
8. Special consideration shall be given to applicants providing services fulfilling the unique needs and requirements of certain high-need population, including patients who are uninsured, low income, or patients with limited access to emergency care	<ul style="list-style-type: none"> <li>Parkridge East serves and will continued to serve through the FSED, significant numbers of uninsured and low-income patients presenting with emergency care need.</li> <li>In CY 2020, 58.9% of Parkridge East's ED patients were uninsured or low-income.</li> </ul> <b><u>Parkridge East meets this criteria.</u></b>

Payor	ZIP Code 30726* Total ED Patients	% of Total	ZIP Code 30736 Total ED Patients	% of Total	ZIP Code 30741 Total ED Patients	% of Total	ZIP Code 37411 Total ED Patients	% of Total	ZIP Code 37412 Total ED Patients	% of Total	Parkridge East Hospital Total	% of Total
Medicare/Medicare Advantage	0	0.0%	940	20.2%	937	16.4%	339	13.6%	942	19.2%	5,409	15.8%
TennCare/Medicaid	3	50.0%	1,190	25.5%	1,829	32.0%	998	40.1%	1,630	33.3%	11,421	33.4%
Commercial/Commercial Other	0	0.0%	1,025	22.0%	1,014	17.8%	497	20.0%	840	17.1%	6,597	19.3%
Self-Pay	3	50.0%	1,154	24.7%	1,574	27.6%	503	20.2%	1,165	23.8%	8,534	25.0%
Medically Indigent/Free	0	0.0%	35	0.8%	37	0.6%	11	0.4%	23	0.5%	182	0.5%
Other	0	0.0%	321	6.9%	319	5.6%	141	5.7%	301	6.1%	2,036	6.0%
Total	6	100.0%	4,665	100.0%	5,710	100.0%	2,489	100.0%	4,901	100.0%	34,179	100.0%

Service Area Comparison of System Charity Care Provision			
Summary by Health System	Parkridge Health System	Erlanger Health System	CHI Memorial
Charity Care	\$ 140,718,926	\$ 257,715,201	\$ 56,978,595
System Beds	267	677	602
Charity Care per Bed	\$ 527,037	\$ 380,672	\$ 94,649

Source: 2020 Joint Annual Reports, 2020 Georgia Annual Hospital Financial Survey, and 2020 Georgia Annual Hospital Questionnaire



# FSED Criteria: Parkridge East Hospital FSED will care for underserved patients



Criteria	Applicant's Response
10. The proposal's relationship to underserved geographic areas and underserved population groups shall be a significant consideration. Complete the following table of federally designated areas in the proposed service area to address this portion of the standards.	<ul style="list-style-type: none"> <li>The proposed service area ZIP codes are Medically Underserved Area, Health Professional Shortage Areas, and Shortage Areas for Mental Health Services</li> </ul> <b><u>Parkridge East meets this criteria.</u></b>

Proposed Service Area ZIP Code/County	Medically Underserved Area	Medically Underserved Populations	Health Professional Shortage Area	Shortage Area for Mental Health Services
Check (X) if Applicable				
37411 / Hamilton County	X	X	X	X
37412 / Hamilton County	X	X	X	X
30741 / Walker County	X	X	X	X
30726 / Catoosa County	X	X	X	X
30736 / Catoosa County	X	X	X	X

*Note: The above counties containing the service area ZIP codes have Federal designations for all the above categories on the Data Warehouse Site*





# Behavioral Health in the ED Setting

Patients utilize EDs in behavioral health emergencies just as they do when needing urgent medical intervention. Some benefits of this include:

- **Safety:** many behavioral health patients feel unsafe and may desire or require increased supervision to feel more comfortable which can be facilitated in the ED
- **Support:** having access to a full medical staff provides comfort during an often terrifying and confusing time, leading to an overall positive experience
- **Services:** behavioral health patients within Parkridge EDs have priority access to services offered at Parkridge Valley Hospital

Behavioral health services offered at all Parkridge EDs:

- Psychiatric telehealth consultations available 24/7
- Psychiatric nurse practitioner telehealth and in person consultations
- Psychotropic regimen can be started, changed or maintained
- Acute medical intervention and stabilization after suicidal actions or an overdose
- Community behavioral health resource information available

# CHI Opposition Letter: Misleading Claims and a Proposed GA Facility

## CHI Claims: Need

- “Ample Capacity Currently Exists”
- “Parkridge Application fails to Establish Lack of Geographic Access”
- Since the emergence of COVID-19, ED visits...have declined
- **Advocates for a Proposed CHI Memorial-GA facility**

## CHI Claims: Quality and Consumer Advantage

- FSEDs are most appropriate in Rural markets
- Treatment costs are higher than UCCs
- FSEDs are not appropriate for Life-Threatening Emergencies
- **“The Parkridge FSED will undercut the financial footing of the new CHI Memorial Georgia facility.”**

50% of CHI’s 1<sup>st</sup> opposition presentation devoted to the CHI Memorial – Georgia facility.

## Reality

Inaccurate – New FSED will be in the vicinity of the 2 busiest ERs in the Chattanooga area (see Slides 11 & 12)

Inaccurate – East Ridge is 2d most densely populated city in TN and the only ER in the community is the busiest in Chattanooga area

Inaccurate – see data on Slide 12 – ED visits are on the rise, approaching pre-Covid levels

Not Applicable – a planned facility is not relevant – and Orderly Development is no longer part of the TN CON Statute

## Reality

Discredited on Slide 39

Discredited on Slides 24-26

Discredited on Slides 19-23

Not Applicable

# Reviewing Opposition: CHI Misstates Capacity Constraints and Need

- CHI focuses on pandemic low point of 2020 and ignore peak surges in 2021 impact access to all are EDs
  - CHI ignores that Parkridge North was only operational for ¼ of 2020. Actual 2021 visit volume is 10k
  - CHI ignores that the two most highly utilized EDs that it identified – Parkridge East and Erlanger East – are the closest to the proposed FSED
- CHI ignores that the FSED Criteria focus on capacity constraints and that FSEDs are not required to expand geographic access. Parkridge East has documented capacity constraints consistent with the FSED Criteria and ACEP guidelines.
- CHI – Georgia is not relevant
  - The replacement facility has not and may not receive CON approval.
  - CHI – Georgia does not serve Tennessee patients – 2.4% of patients were from TN in 2020.

# Reviewing Opposition: CHI Misstates Quality and Consumer Advantage

- CHI ignores that FSEDs have been approved for urban, exurban, and rural areas.
  - Antioch FSED on the southeastern side of Nashville is an example of a successful exurban FSED.
  - Likewise, Tennova Clarksville & STR Westlawn “micro-hospitals” were approved to alleviate capacity constraints at the main hospitals.
- There is nothing unusual or problematic about transfer from FSED to hospitals, which are very low numbers. If this was a problem, the FSEDs would not be permitted.
  - CHI recognizes the suitability of using FSEDs - CHI operates FSEDs in Texas
  - CHI ignores that the patients are transferred and referred from UCCs to EDs all the time
- Claims regarding impact to CHI – Georgia – this is an Orderly Development argument – which has been removed from the TN statute.



# Reviewing Opposition: Parkridge East already serves a significant number of GA patients

## All Patients

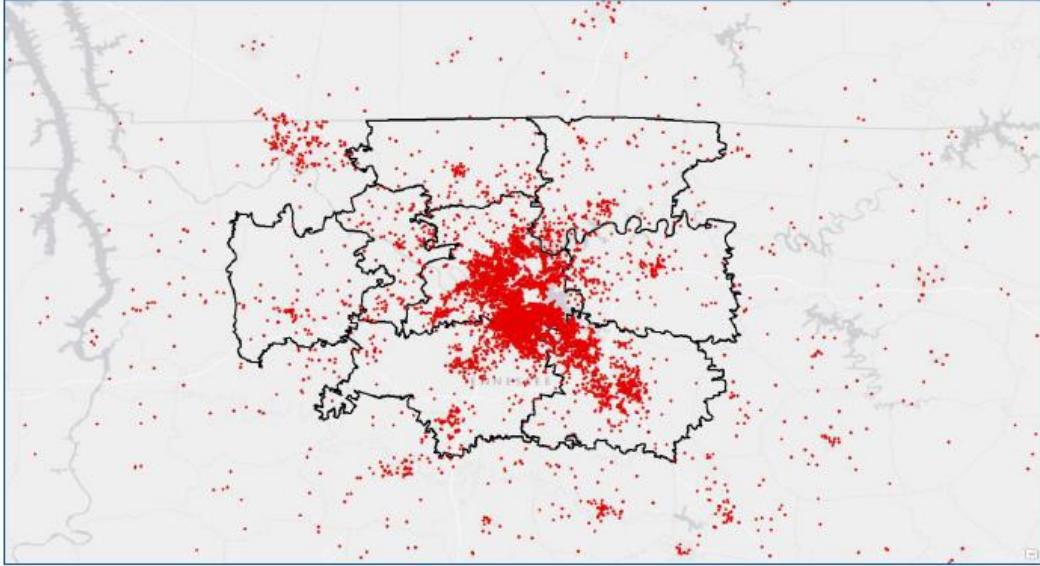
- **For ~50k encounters in 2021:**
  - 53% of addresses are in TN
  - 43% in GA\*

## All ER Patients

- **For ~12k encounters in 2021**
  - 49% of addresses are in TN
  - 48% are in GA

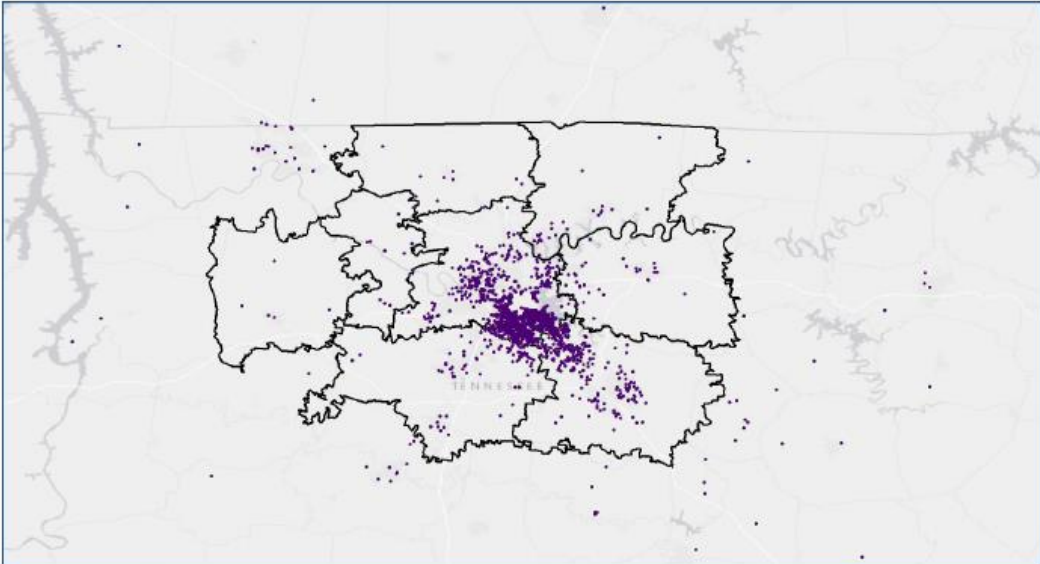
Source: Parkridge Health Internal Data

# Reviewing Opposition: Free-Standing EDs Have More Consolidated Patient Base than Host Hospital (contrary to CHI claims)



## Southern Hills ED (Host Hospital)

- **For ~40k encounters in 2021:**
  - No zip code with over 35% of visits
  - 24 zip codes with over 100 patients served



## Century Farms FSED

- **For ~5.5k encounters in 2021**
  - 57% of visits from 1 zip code (37013)
  - Patient origin concentrated near I-24 corridor

# CHI acknowledges UCCs & EDs “Have Many Differences”



Search

Services & Specialties ▾

Patients & Visitors ▾

## Frequently Asked Questions

If you think you may be experiencing a life-threatening emergency, call 911 immediately. You can request that they take you to a St. Lukes Health emergency room.

### What is the difference between urgent care and an emergency room?

While urgent care clinics and emergency rooms have similarities (they're open 24/7 and accept walk-ins), they also have many differences. Emergency rooms can treat any condition that an urgent care facility can treat, but the reverse is not true. Emergency rooms tend to have more medical professionals on staff and have a greater range of capabilities. Patients at our emergency rooms also benefit from seamless admission to the nearest St. Joseph Health hospital, if necessary.



# Quality: Access Differences – UCCs vs FSEDs

**Attention:**

Due to unprecedented volumes, this center may reach maximum capacity before the end of posted hours. If this occurs, it will be necessary to limit additional registrations/check-ins for the day. We are working hard to meet the community’s needs and to keep everyone safe.

Today, January 14th

⚠ No availability today

All online booking slots are full.  
You can still walk in to the clinic.

Tomorrow, January 15th

⚠ No availability tomorrow

All online booking slots are full.  
You can still walk in to the clinic.

12:00 ↗

Visit type

In-person visit

Video visit

TODAY TOMORROW

Tomorrow, January 16th (EST)

⚠ No Visit Times Left

Book ahead visits are fully booked tomorrow.  
You can still walk in to the clinic.

CHOOSE A DATE AND TIME:

Today, January 17th

⚠ No availability today


All online booking slots are full.  
You can still walk in to the clinic.

Tomorrow, January 18th

⚠ No availability tomorrow

All online booking slots are full.  
You can still walk in to the clinic.

Online booking is only available for same day and tomorrow.  
Please check back tomorrow.



Physicians Care - East Ridge

Open now - Walk in only | 8:00am to 8:00pm EST

403 McBrien Rd East Ridge, TN 37412

(423) 894-3589

CHOOSE A DATE AND TIME:

Today, January 20th

⚠ No availability today

All online booking slots are full.  
You can still walk in to the clinic.

Tomorrow, January 21st

⚠ No availability tomorrow

All online booking slots are full.  
You can still walk in to the clinic.

Online booking is only available for same day and next day.  
Please check back tomorrow.

Book a visit

Reason for Visit

Feeling Sick

Visit type

In-person visit

Video visit

TODAY TOMORROW

Today, January 19th (EST)

⚠ No Visit Times Left

Book ahead visits are fully booked today.





# Reviewing Opposition: Physicians Care Urgent Care is Not an Alternative

- If UCCs were alternatives to FSEDs, Parkridge East's existing ED would not be facing the capacity constraints it experiences today
- According on its own website, Physicians Care does not have available capacity; patients can be turned away due to capacity constraints
- Physicians Care like all UCC are not required to accept TennCare or provide charity care. It does not appear that Physicians care accepts TennCare based on its website.



## Attention:

Due to unprecedented volumes, this center may reach maximum capacity before the end of posted hours. If this occurs, it will be necessary to limit additional registrations/check-ins for the day. We are working hard to meet the community's needs and to keep everyone safe.

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⚠ No availability tomorrow

All online booking slots are full.  
You can still walk in to the clinic.

Booking is only available for same day and next day.  
Book back tomorrow.